TENNESSEE AIR POLLUTION CONTROL BOARD DEPARTMENT OF ENVIRONMENT AND CONSERVATION NASHVILLE, TENNESSEE 37243-1531



Phase II Acid Rain Permit

Date Issued: DRAFT

Issued by: Tennessee Air Pollution Control Board

Tennessee Department of Environment and Conservation

Issued to: Brownsville Power I, L.L.C.

Operated by: Brownsville Power I, L.L.C.

Source No: 38-0068 ORIS code: 55081

Effective: January 1, 2005 through December 31, 2009

Acid Rain Permit Contents

- 1) Statement of Basis.
- 2) SO₂ allowances allocated under this permit and NO_X requirements for each affected unit.
- 3) Comments, notes, and justifications regarding permit decisions and changes made to the permit application forms during the review process, and any additional requirements or conditions.
- 4) The permit application submitted for this source, as corrected by the Tennessee Department of Environment and Conservation. The owners and operators of the source must comply with the standard requirements and special provisions set forth in the application.
- 5) Summary of previous actions and present action.

1) Statement of Basis

Statutory and Regulatory Authorities: In accordance with Tennessee Code Annotated 68-201-105 and 4-5-202 and Titles IV and V of the Clean Air Act, the Tennessee Air Pollution Control Board and Tennessee Department of Environment and Conservation issue this permit pursuant to Chapter 1200-3-30 and Paragraph 1200-3-9-.02(11) of the Tennessee Air Pollution Control Regulations.

2) SO₂ Allowance Allocations and NO_X Requirements for each affected unit

		2005	2006	2007	2008	2009
	SO ₂ allowances					
		*	*	*	*	*
Unit 1						
	NO _X limit	40 CFR Part 7	76 not applicabl	e to unit. Natur	ral gas-fired uni	t.

		2005	2006	2007	2008	2009
	SO ₂ allowances					
		*	*	*	*	*
Unit 2						
	NO _X limit	40 CFR Part 7	76 not applicabl	e to unit. Natur	ral gas-fired uni	t.

		2005	2006	2007	2008	2009
	SO ₂ allowances					
		*	*	*	*	*
Unit 3						
	NO _X limit	40 CFR Part 7	76 not applicabl	e to unit. Natur	ral gas-fired uni	t.

These new units are not eligible for an SO₂ allowance allocation under 40 CFR part 73, but the source must comply with all of the standard requirements and special provisions stated in the Phase II permit application. The source must hold sufficient allowances to cover SO₂ emissions.

		2005	2006	2007	2008	2009
	SO ₂ allowances					
Unit 4		*	*	*	*	*
	NO _X limit	40 CFR Part 7	76 not applicabl	e to unit. Natur	ral gas-fired uni	t.

^{*} These new units are not eligible for an SO₂ allowance allocation under 40 CFR part 73, but the source must comply with all of the standard requirements and special provisions stated in the Phase II permit application. The source must hold sufficient allowances to cover SO₂ emissions.

3) Comments, Notes, and Justifications: Affected units are four (4) natural gas-fired combustion turbines. The facility's initial phase II permit application lists a commence operation date of June, 1999 for the units.

The ORIS code for this facility has changed since the issuance of the initial Phase II Acid Rain permit.

4) **Permit Application:** Attached.

5) Summary of Previous Actions and Present Action:

Previous Actions:

Initial draft permit issued for public comment.
 Initial permit finalized and issued.
 June 3, 1999
 August 25, 1999

Present Action:

1. Draft renewal permit issued for public comment. August 5, 2004

Barry R. Stephens

Technical Secretary

Tennessee Air Pollution Control Board



Acid Rain Permit Application

For more information, see instructions	and refer to 40 CFF	R 72.30 and 72.31

This submission is: ■ New ☐ Revised

Brownsville Power I, LLC Tennessee 55081

Plant Name State ORIS Code

STEP 2

STEP 1

ORIS code.

Enter the unit ID# for every affected unit at the affected source in column "a." For new units, enter the requested information in columns "c" and "d."

Identify the source by plant name, State, and

а	b	С	d
Unit ID#	Unit Will Hold Allowances in Accordance with 40 CFR 72.9(c)(1)	New Units Commence Operation Date	New Units Monitor Certification Deadline
1	Yes		
2	Yes		
3	Yes		
4	Yes		
	Yes		

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STEP 3

Read the standard requirements

Permit Requirements

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and

(ii) Have an Acid Rain Permit.

Monitoring Requirements

(1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.

(2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

(3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source

Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)), or in the compliance subaccount of another affected unit at the same source to the extent provided in 40 CFR 73.35(b)(3), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and

(ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.

- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:

(i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or

- (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph
 (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was

allocated.

- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Brownsville Power I, LLC

Plant Name (from Step 1)

STEP 3, Cont'd. Acid Rain - Page 3

Nitrogen Oxides Requirements The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

(1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.

(2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

(i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

(ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

(1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:

(i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

(ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

(iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

(1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.

(2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.

Brownsville Power I, LLC

Plant Name (from Step 1)

Step 3, Cont'd. Acid Rain - Page 4

Liability, Cont'd.

(5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.

(6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans:

(2) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

STEP 4 Certification

Read the certification statement, sign, and I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Barry E. Pulskamp	
Signature Barry Efulshing	Date 6/29/04

EPA Form 7610-16 (rev. 12-03)